



U.S. House of Representatives Committee on the Judiciary F. James Sensenbrenner, Jr., Chairman

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News Advisory

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Contact: Jeff Lungren/Terry Shawn
202-225-2492

GAO Report Recognizes Conflict of Interest Concerns Regarding EEOICPA

WASHINGTON, D.C. – House Judiciary Immigration, Border Security and Claims Subcommittee Chairman John N. Hostettler (R-Ind.) announced the release of a Government Accountability Office (GAO) report <http://judiciary.house.gov/media/pdfs/gaoeEOICPA31006.pdf> today which highlights a “conflict of roles” in the administration of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) by the National Institute for Occupational Safety and Health (NIOSH), which risked impacting the independence and credibility of the Advisory Board on Radiation and Worker Health (Advisory Board) and its audit contractor. The Judiciary Committee had asked GAO to look into concerns about the potential obstruction of the work of the Advisory Board’s audit contractor, and inappropriate interference with its funding and scope of work by the NIOSH program staff who were being audited.

Chairman Hostettler, who held the Subcommittee’s March 1 hearing into EEOICPA, stated, “This report validates the concerns highlighted at our recent oversight hearing on this program. GAO recognizes the potential for a loss of Government credibility with claimants and the public if we don’t ensure that the officials involved with this program do not compromise, through their actions, the real or perceived independence of this Advisory Board.”

Today’s report noted that the NIOSH Director removed two officials running the EEOICPA radiation dose reconstruction program from overseeing the Advisory Board and the audit contractor, and that these personnel changes had improved performance. GAO noted that:

“Credibility is essential to the work of the Advisory Board and the contractor, and actions were taken in response to initial concerns about the independence of federal officials in certain key roles. Nonetheless, it is important for [Department of Health and Human Services] HHS to continue to be diligent in avoiding actual or perceived conflicts of roles as new candidates are considered for these roles over the life of the Advisory Board.”

The report also reviewed the administration of the Advisory Board's audit contractor and the contractor's performance. The report found that: 1) the initial scope of work was far more complex than expected; 2) the Advisory Board had to expand the audit contractor's scope of work and time lines; 3) the initial amount of funding for the audit was unrealistic; and 4) the audit contractor is currently performing on schedule and within budget.

Today's GAO report makes 3 recommendations:

(1) To assist in managing the long term costs of the audit, the contracting and project officers should be directed to develop and share with the Advisory Board integrated data on contractor spending levels compared to work completed.

(2) HHS staff should collect and analyze pertinent information that would help the Advisory Board reexamine its long-term plan for assessing the NIOSH site profiles and dose reconstructions, given that the work is far more complex and time consuming.

(3) To ensure that the findings and recommendations of the Advisory Board and the contractor are promptly resolved, the Secretary of HHS should direct the Director of NIOSH to establish a system to track the actions taken by the agency in response to these GAO findings and recommendations and update the Advisory Board periodically on the status of such actions.

In light of an Office of Management and Budget (OMB) passback memo calling for steps to contain the growth in benefit costs for sick nuclear workers, and coupled with information gathered at the March 1 oversight hearing, the Committee is asking GAO to assess a range of options to protect the independence and credibility of the Advisory Board and its audit contractor. These include: 1) annual renewal of the directives in the fiscal year '06 Labor, HHS Appropriations Act (P.L. 109-149) that provided specific funding for the work of the Advisory Board and its audit contractor; and 2) amending EEOICPA to include Congress in the appointment process for members of the Advisory Board.

The GAO report noted that the costs of the Oak Ridge Associated Universities (ORAU) contract for dose reconstruction had more than tripled from \$70 million to over \$200 million. In response, the Committee has requested GAO investigate the reasons for these costs increases, whether ORAU's performance has been adequate, and to assess whether conflicts of interest are being managed effectively with respect to ORAU staff working on the EEOICPA dose reconstruction program. The administrative costs of the NIOSH dose reconstruction program appear to be very large in proportion to benefits paid out to claimants whose cases required a radiation dose reconstruction, and GAO is asked to assess whether these costs are warranted.

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